

NATIONAL CANNERS ASSOCIATION



Information Letter



FOR N. C. A. MEMBERS

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Board of Directors Acts on Recommendations of General Advertising Committee

Recommendations made by the Association's Committee on General Advertising respecting plans for a general advertising campaign and approving an amendment to the Food and Drugs Act as to labeling requirements, were unanimously adopted at a special meeting of the Board of Directors held at Chicago on August 7.

The Board also rescinded its action at the May meeting approving the holding of a Quality Canned Foods Campaign in the Spring of 1929, received a report with respect to the hearing to be held September 18 by the U. S. Tariff Commission on the cost of production of canned tomatoes and tomato paste, and voted a general endorsement of the efforts of the American Arbitration Association with respect to proposed arbitration legislation.

At its May meeting, the Board of Directors authorized the appointment of a Committee on General Advertising, and the commendable progress that the committee made, in President Nott's opinion, justified action by the Board of Directors as promptly as possible. The Committee has held two meetings; one in Chicago and the other in New York, and at the latter meeting prepared its report and recommendations, which were presented to President Nott.

While it was realized that this is a busy time of the year for the canning industry, President Nott deemed early action advisable and issued a call for a meeting of the Board of Directors, together with the Finance and Executive Committees,

Chairmen of Sections, and Presidents of State Associations. The meeting was held in Chicago at the Stevens Hotel, Tuesday, August 7, with President Nott presiding.

President Nott explained briefly the object of the meeting, and complimented the Board on the large attendance. Preliminary to taking up the subject of advertising, an explanation was made of the present status of the effort of the National Cannery Association and state associations to have a revision upwards of the tariff on canned tomatoes and tomato paste.

It was stated that a hearing had been arranged before the Tariff Commission for Tuesday, September 18, in Washington, and that invitations had been issued to all interested parties. It was also stated that Judge Covington, General Counsel of the Association, would appear at the hearing on behalf of the National Cannery Association.

Mr. Carl Scudder, Chairman of the Committee which has this in charge, explained that copies of the preliminary statement of the Tariff Commission had been mailed to all interested parties, and he earnestly urged everyone who had suggestions or recommendations to send them to the office of the Association in Washington at the earliest possible date so that these recommendations might be compiled and receive the proper attention of the Association's general counsel and its executive officers. A meeting of the Committee of which Mr. Scudder is chairman will be held in Washington on Monday, September 17.

It was also recommended that the general subject of tariff rates on all canned foods be taken up for consideration as soon as practicable.

Mr. Royal F. Clark, Chairman of the Committee on General Advertising, then made a report covering the general activities of the Committee at its recent meetings. The recommendations of the Committee presented by Mr. Clark are as follows:

1. A broad comprehensive educational advertising plan over a minimum period of three years, emphasizing the wholesomeness and economy of canned foods, and particularly conveying to the consumer the safety of canned foods both as regards the container and its contents, utilizing for its purpose the research of the United States Bureau of Chemistry, the National Cannery Association and the various universities which have been engaged in this work.

2. An amendment to the present Food and Drugs Act so as to require informative labeling of all qualities below certain to-be-established

minimum requirements, and leaving unchanged each existing method of labeling which is not deceptive to the consumer.

3. The Committee believes that when plans 1 and 2 are put into execution they will form a strong foundation and background which will be availed of by various commodity groups, following the examples of the pineapple, asparagus, California olives, kraut, salmon, and evaporated milk branches of the industry.

4. Financing.—Plan No. 1 to be financed by can manufacturers, tin plate manufacturers, and other manufacturers of canners' supplies. Plan No. 3 to be financed by direct assessments through the appropriate sections of the National Canners Association representing these products.

5. In furtherance of recommendation No. 2 the Committee offers the following:

(a) An intensive plan of education through the different state and commodity associations of the necessity for the suggested legislation.

(b) Through proper committees, to acquaint the different distributors' organizations with the necessity and importance of such legislation.

(c) Through the proper national and state food officials, to express the conviction that such proposed legislation would protect the interests of the consumer and lead to more intelligent consumer buying.

A comprehensive research of the advertising that is already being done by canners and others interested in the canning industry, was presented, as well as a careful research of the possibilities of what could be done provided an adequate advertising fund were available for this purpose.

At the conclusion of this explanation there was a general discussion of the subject, and the following resolutions were unanimously adopted by the Board of Directors:

1. Resolved, that the Board of Directors of the National Canners Association unanimously approve the report of the Committee on General Advertising.

2. Resolved, that the National Canners Association urges federal legislation which will require, on the label of any canned foods, information as to grade or quality, if the contents of the can are of such character as will deceive and disappoint the consumer if not so identified.

3. Resolved, that the President of this Association be authorized to appoint a committee to draft suitable federal legislation to carry out the purpose of these resolutions.

4. Resolved, that the executive officers of the National Canners Association be requested to communicate this action to the executive officers of all state associations, urging full cooperation and support.

5. Resolved, that the members of the National Canners Association and all others interested be requested to acquaint their congressmen and senators with the necessity for legislation of this kind in the interests of the consumer and the general good of the industry.

6. Resolved, that these resolutions, together with a copy of the report of the Committee on General Advertising, be referred to the Conference Committee with Distributors.

A resolution was also passed rescinding the action of the Board at its meeting in May approving the holding of a Quality Canned Foods Campaign in the Spring of 1929.

The Secretary called attention to a communication from the American Arbitration Association in reference to proposed legislation that it is supporting in the different states to put into effect the general requirements of the National Arbitration Act, and a general motion of endorsement was adopted. This resolution will be referred to the General Counsel of the Association.

Is Delivery of Your Information Letter Delayed?

Complaints have reached the Association's office that delivery of the Information Letter is at times delayed. The Letter is always placed in the mails on Saturday. If it does not reach the members of the Association within a reasonable time they are requested to report to the Association's office, stating the time at which the Letter was received.

The Post Office Department has already been asked to investigate, and specific information as to the issues that do not arrive promptly and the time at which they are received will be helpful both to the Association and to the Post Office Department in securing a satisfactory service.

August Crop Report

The condition of field corn on August 1, according to the government crop report issued August 9, was 83.3 per cent, as compared with 78.1 per cent on July 1, and a ten-year average of 79.5 per cent on August 1.

The edible bean crop in the principal producing states is forecast at 16,832,000 bushels, compared with a yield of 16,600,000 bushels in 1927.

Condition of the total apple crop on August 1 was 59.4 per cent, and of the commercial crop 52 per cent. On the basis of this condition the total crop is estimated at 178,970,000 bushels, and the commercial crop at 33,277,000 bushels. The total crop harvested in 1927 was 123,455,000 bushels, while the harvested commercial crop was 25,900,000 bushels.

The peach crop is estimated at 67,471,000 bushels, based on a condition of 70.7 per cent. The crop harvested in 1927 was

45,465,000 bushels and the average for the five years 1922-1926 was 54,302,000 bushels.

Condition of the pear crop was 66.6 per cent, with an indicated yield of 23,279,000 bushels, compared with a production of 18,072,000 bushels in 1927.

The condition of California apricots on August 1 was 56 per cent as compared with 66 per cent on the same date last year; California figs, 72 per cent as against 75 per cent last year; California lima beans, 84 per cent, the same as last year; California plums, 82 per cent as against 84 per cent last year; California prunes, 74 per cent as against 73 per cent last year.

Truck Crop Markets

Carlot forwardings of most fruits and vegetables were held to a rather moderate volume during the week ended August 4, so that the combined shipments of 29 products decreased to 26,530 cars, according to the U. S. Market News Service. For the same period last summer, the total was only 18,400 cars.

Peaches were the only product to show a great increase the past few days, and the week's output of peaches was more than 9,000 cars, compared with 2,700 a year ago. Movement of peaches to canneries in California was active and that state was credited with a total of 2,825 cars, compared with 2,710 from Georgia points, 2,400 cars from Arkansas, 765 from North Carolina, 200 from South Carolina, and 170 from Tennessee. The Georgia season was hastening to a close, but North Carolina is now at its height and Arkansas is shipping very heavily.

Northwestern prune production may be reduced somewhat, as a result of the hot weather. There has been a heavy drop. Prices of the remaining crop, however, may prove more profitable. Washington and Oregon apricots netted growers about \$60 per ton this season, according to local reports, even though production was larger than usual.

Pear shipments filled 1,350 cars, mostly California stock, though Washington and Oregon were starting. Apple shipments from eastern sections increased to 540 cars, while western states forwarded 425 cars. Most of the gain was in Delaware and New Jersey. Washing of western apples and pears to remove excessive spray residue will be conducted on a larger scale this year than ever before. Many additional washing machines are being installed.

Wisconsin shows the largest decrease of winter cabbage. Most of the 200 cars of cabbage shipped last week originated in Iowa and Virginia.

CARLOT SHIPMENTS

Commodity	July 29 Aug. 4 1928	July 22-28 1928	July 31 Aug. 6 1927	Total this season to Aug. 4	Total last season to Aug. 6	Total last season
Apples, total	960	856	705	4,263	3,754	93,218
Eastern states	537	414	409	2,382	2,153	44,501
Western states	423	442	296	1,881	601	48,717
Cabbage	193	128	170	17,865	16,045	39,035
Carrots	23	9	(a)	5,211	(a)	6,646
Cantaloupes	1,088	1,440	772	23,825	23,649	30,256
Cherries	55	88	35	2,536	1,431	1,460
Cucumbers	143	262	214	6,635	7,137	8,175
Mixed deciduous fruit ..	476	479	433	2,863	2,212	3,407
Mixed vegetables	532	514	739	22,509	22,679	35,045
Peaches	9,148	8,383	2,693	29,732	20,875	41,553
Pears	1,351	1,341	1,175	5,569	3,488	18,713
Peas	156	209	81	3,999	3,537	4,148
Peppers	53	40	42	2,590	1,898	2,324
Plums and prunes	118	173	140	3,110	2,448	5,953
String beans	11	9	20	5,905	5,391	6,481
Tomatoes	524	641	586	21,427	22,379	32,612

(a) Unavailable

Weather and Crops

Another generally favorable week for agriculture was experienced in most of the principal crop-producing areas, according to the Weather Bureau's report for the week ending August 7. There was some delay by rain to field work in parts of the central Great Plains, upper Mississippi Valley, the Lake region, and locally elsewhere, but, in general, seasonal field operations made satisfactory advance. Continued rains in parts of the North Central States and the western Great Plains have damaged small grains in shock, and considerable uncut grain was flattened by windstorms in the Lake region; otherwise harvesting and threshing made mostly good advance.

In much of the eastern half of the country vegetation made rapid growth under the influence of high temperatures, though rain is now needed in many places in the Middle and South Atlantic and east Gulf States, as well as in the southern portion of the Ohio Valley and parts of the Southwest. No extensive agricultural area, however, is yet suffering from drought. Rains were beneficial in the more southwestern states, but unirrigated crops are still needing moisture over the northern half of the trans-Rocky Mountain area.

Citrus were improved by rain in Florida and good condition continued in California. Fruit did well generally, except that peaches continued to rot in parts of Alabama, and there was some damage to cherries by wet weather in the Lake region; a

heavy drop of early apples was reported in the Spokane district of Washington.

Business Conditions

Measured by check payments, the dollar volume of business during the week ended August 4 was greater than in either the previous week or the same week of 1927, according to the weekly statement of the Department of Commerce. Steel plant operations also showed larger activity than in either prior period. The index of wholesale prices showed a slight decline from the previous week but was higher than a year ago.

Loans and discounts of Federal reserve member banks were higher than in either prior period. Loans to brokers and dealers also registered an advance over both periods. Stock prices averaged higher than in either the previous week or the corresponding period of last year. Interest rates on time money again showed no change from the preceding week but were higher than in the same week a year ago. Bond prices averaged lower than in either the previous week or the same week of 1927. Interest rates on call loans averaged higher than in the previous week.

CAR LOADINGS

Period	Total	Merchandise		Other
		Miscellaneous	L.C.L.	
Week ended July 28	1,033,976	408,283	355,192	370,501
Preceding week	1,033,816	409,900	355,731	368,185
Corresponding week, 1927	1,044,697	400,795	356,746	387,157
Corresponding week, 1926	1,095,997	398,938	356,250	440,809

Manufactured Dairy Products Increased Last Year

Dairy products manufactured in 1927 exceeded in volume the output of 1926, except for cheese, according to the final report of production for 1927 issued by the U. S. Department of Agriculture.

Cheese production, including all types, amounted to 406,686,000 pounds, a decrease of nearly 21,000,000 pounds or nearly 5 per cent, as compared with 1926.

Condensed and evaporated milk was manufactured to the extent of 1,855,722,000 pounds, an increase of 122,000,000 pounds or about 7 per cent. Interesting developments occurred during the year in the way of opening of new producing areas and the expansion of areas previously of little importance. Large increases, relative to previous years production, were reported in such sections as Tennessee, Mississippi, Missouri, and Maryland. The expansion of the dairy industry southward is largely responsible for these changes. This development, which has been coming for several years, was considerably accelerated

during 1927. At the same time the great centers of condensed and evaporated milk production, New York, Wisconsin, California, and Pennsylvania increased their output materially during the year.

Increases were reported in a considerable number of other dairy products and by-products. Notable among these is dry milk. •Production in 1927 of dry skim, the most important of the dried milks as to volume, was 118,123,000 pounds. This exceeds the previous year by nearly 29 per cent.

Corn and Tomato Acreage in Indiana

In a bulletin dated August 4, the Indiana Canners Association states that the corn acreage this year is 36,520 as compared with 22,997 acres at about the same time last year, while the tomato acreage is 49,625 as compared with 46,210 acres in 1927.

Publications of Interest to Canners

Removal of spray residue.—The Agricultural Experiment Station at Corvallis, Ore., has issued as Bulletin 234 a 38-page report on "The Removal of Spray Residue from Apples and Pears." Washing is stated to have proved far more effective than mechanical cleaning. Part I of the report deals with methods and process of cleaning, with special reference to troublesome problems and features of cleaning. Part II pertains to the effects of cleaning on the fruit itself. Part III is a resume of the work done on disinfectants in the washing process.

Commerce Yearbook for 1928.—Volume I of the Commerce Yearbook for 1928 has just been issued by the Bureau of Foreign and Domestic Commerce. It tells a detailed story of the commerce and industry of the United States and its non-contiguous territories and possessions for the year 1927. It is a history of the economic development of the country during the period under review, with a full discussion of such problems as production, employment, immigration, wages, wholesale and retail indices, foreign and domestic trade, transportation and communication, banking and finance.

Copies may be purchased from the Superintendent of Public Documents, Government Printing Office, Washington, D. C., or from the Bureau of Foreign and Domestic Commerce or any of its district offices. The price is \$1.25 a copy.

Use of business statistics.—The Census Bureau of the U. S. Department of Commerce has recently published a bulletin entitled "How to Use Current Business Statistics," which will be

of interest to canners, especially those who are receiving the Census Bureau's weekly "Survey of Current Business." The booklet was compiled by the editor of the "Survey of Current Business" in response to demands from business executives for a handbook describing how business men can make the best use of current statistical data.

Copies of the bulletin are sold for 15 cents by the Superintendent of Documents, Government Printing Office, Washington, D. C.

Bids Asked on Canned Foods for Army

The Quartermaster Supply Officer of the Army, 20th and C Streets, N. W., Washington, D. C., is asking for bids to be opened September 4 for various canned foods including apricots, lima and string beans, cherries, peaches, pears, peas, pineapple, shrimp, soup, spinach, salmon, apple butter, beets, catsup, corn, pumpkin, sauerkraut, asparagus, hominy, sardines, jams, preserves, and pickles. Copies of the schedule on which to submit bids (Cir. 950-29-14) may be obtained from the Quartermaster Supply Officer.

Freight Rate Cases

A complaint (Docket 21187) has been filed with the Interstate Commerce Commission asking the establishment of reasonable rates on empty tin cans from Chicago and Chicago zoned territory to Blair, Nebr.

By application (Docket 13512) filed with the Interstate Commerce Commission, the Missouri Kansas Texas Railway Company requests fourth section relief in connection with the establishment of rates on canned goods from Vinita, Oklahoma, and intermediate Oklahoma points on the M. K. & T. to M. K. & T. stations from St. Louis to Franklin, Mo., inclusive, by maintaining higher rates from and to intermediate points, via route of the M. K. & T. direct.

Rates of Duty on Canned Foods

At the meeting of the Board of Directors in May, there was a discussion of the possibility of tariff revision, and the Secretary of the Association was directed to take up with the Association's Committee on this subject the matter of collecting information showing the needs of the canned food industry in the way of tariff legislation.

For the information of the Association's membership the following statement has been compiled showing the rates of

duty on canned foods under the Tariff Act of 1922, with citations to the paragraphs of the Act in which these rates are prescribed:

Product	Rate	Paragraph
Meats: Fresh, prepared or preserved, n. s. p. f.	20% ad val.	706
Milk: Condensed or evaporated in hermetically sealed containers, unsweetened	1c per lb.	708
Condensed or evaporated in hermetically sealed containers, sweetened	1½c per lb.	708
Poultry: Prepared or preserved in any manner, n. s. p. f.	35% ad val.	712
Salmon: Pickled, salted, smoked, kippered, or otherwise prepared or preserved	25% ad val.	718
Sardines and other fish except shellfish: By whatever name known, packed in oil or in oil and other substances	30% ad val.	720
Crab meat: Packed in ice or frozen or prepared or preserved in any manner	15% ad val.	721
Fish roe: Caviar and other fish roe for food purposes packed in ice or frozen, prepared or preserved by the addition of salt in any amount or by other means	30% ad val.	721
Apples: Prepared or preserved otherwise than by drying or evaporated	2½c per lb.	734
Apricots: Prepared or preserved otherwise than by drying or in brine	35% ad val.	735
Berries: Prepared or preserved otherwise than by drying, evaporating, or packing in brine	35% ad val.	736
Cherries: In natural state, sulphured, or in brine	2c per lb.	737
Maraschino cherries, or cherries prepared or preserved in any manner	40% ad val.	737
Figs: Prepared or preserved in any manner	35% ad val.	740
Peaches and pears: Prepared or preserved otherwise than by drying, evaporating or packing in brine..	35% ad val.	745
Pineapple: Prepared or preserved otherwise than candied, crystallized or glace	2c per lb.	746
Plums and prunes: Prepared or preserved otherwise than by drying or packing in brine	35% ad val.	747
Jellies, jam, etc.: All jellies, jams, marmalades and fruit butters	35% ad val.	748
All other fruits: Fruits in their natural state, prepared or preserved, n. s. p. f., including mixtures of two or more fruits	35% ad val.	749
Mushrooms: Fresh, dried or preserved	45% ad val.	766
Peas: Prepared or preserved otherwise than by drying.	2c per lb.	767
Tomatoes: Prepared or preserved in any manner, except tomato paste	15% ad val.	770
Tomato paste:	40% ad val.	770
All other vegetables: Pickled, or packed in salt, brine, oil or prepared or preserved in any other way, n. s. p. f.	35% ad val.	772
Soup: Soups, pastes, balls, puddings, hash and mixtures of vegetables, meats, or fish, n. s. p. f.	35% ad val.	773
Whole pimientos: Packed in brine or in oil, or prepared or preserved in any manner	6c per lb.	779
Shrimp, lobster and other shellfish: Fresh, frozen packed in ice or prepared or preserved in any manner, n. s. p. f.	Free	1662

n. s. p. f.: not specially provided for.

Retail Trade in July

Retail trade was larger in July than in the corresponding month of last year, according to reports to the Federal Reserve system. Sales of 478 department stores were 3 per cent larger than in July, 1927, and those of mail order houses and of five-and-ten cent chain stores were larger by 22 per cent and 6 per cent, respectively.

As compared with trade of department stores in June of this year, sales in July were seasonally smaller, but the declines were less than usual. After adjustment for seasonal variations trade in July was sustained at a higher level than in June.

Price Trends of Canned Foods

Following are the average wholesale and retail prices of specified canned foods as compiled by the U. S. Bureau of Labor Statistics. The purpose of these averages is to show trends and they cannot properly be used to estimate margins between wholesale and retail prices:

AVERAGE WHOLESALE PRICES

	June, 1927	May, 1928	June, 1928
Salmon, Alaska red, per doz., factory	\$2.675	\$2.960	\$2.800
Peaches, 2½'s, per doz., New York	1.775	1.775	1.775
Pineapples, 2½'s, per doz., New York	2.250	2.250	2.250
String beans, per doz., New York	1.400	1.400	1.400
Corn, 2's, per doz., factory975	1.075	1.075
Peas, per doz., New York	1.225	1.225	1.225
Tomatoes, 3's, per doz., New York	1.500	1.400	1.400
Milk, condensed, per case, New York	5.800	5.825	5.825
Milk, evaporated, per case, New York	4.900	4.275	4.275

AVERAGE RETAIL PRICES ON JUNE 15

	1923	1924	1925	1926	1927	1928
	Cents	Cents	Cents	Cents	Cents	Cents
Salmon, red, per pound	31.1	31.2	31.3	35.1	32.3	35.2
Milk, evaporated, 15/16 oz. can	12.2	11.6	11.3	11.5	11.5	11.1
Beans, baked, 2's, per can	13.0	12.7	12.4	11.9	11.5	11.4
Corn, 2's, per can	15.4	15.8	18.2	16.4	15.6	15.9
Peas, 2's, per can	17.5	19.1	18.4	17.4	16.7	16.9
Tomatoes, 2's, per can	13.0	13.0	13.8	11.9	12.6	11.6

Bids Asked on Canned Foods

The War Department Cafeteria, 18th and D Streets, N. W., Washington, D. C., is advertising for bids on a large variety of canned foods, the bids to be opened August 21. Copies of the schedule on which to submit bids may be obtained from the cafeteria.

Foreign Trade Notes

Canneries busy in Italy.—All canneries in Italy are working overtime on the large excellent fruit crops, according to a cable of August 3 from the American commercial attache at Rome.

Large carry-over of Spanish olive crop.—Upwards of a third of the past season's crop of olives will represent carry-over to next year, which is the "second" or small year in Spain's olive industry, according to the American Consul at Seville. This estimate has been obtained from two large exporters of both olives and olive oil, and is stated to be on the conservative side as regards actual carry-over for the year.

Australian preserved food exports.—Exports of fruit preserved in liquor from Australia during April and May of the current year, totaled 8,775,858 pounds, as compared with 715,071 pounds in the corresponding period last year, according to a report from the American trade commissioner at Sydney. The following table gives the exports during April and May, in the two years:

	1927		1928	
	Pounds	Dollars	Pounds	Dollars
Apricots	208,834	20,210	1,444,989	129,649
Peaches	392,477	42,416	5,235,016	489,876
Pears	52,619	6,292	1,905,306	214,092
Pineapples	3,295	467	14,090	1,032
Others	57,846	7,689	176,457	21,593
Total	715,071	77,074	8,775,858	856,242

European Corn Borer Quarantine Regulations Modified

The areas under quarantine on account of the European corn borer have been enlarged, effective immediately, to add several towns and cities in Hudson County, New Jersey, according to an announcement by the Plant Quarantine and Control Administration of the U. S. Department of Agriculture. The effect of the amendment is to permit the movement of restricted products from New York City into certain nearby sections of New Jersey and in turn to regulate their movement from those New Jersey points. Under a further change made at this time, certificates or permits will be required for the movement of corn and other restricted articles into the State of Maine from other parts of the regulated areas.

Idaho Seeks Lower Fruit Rates

The State Public Utilities Commission of Idaho has filed a complaint with the Interstate Commerce Commission requesting the establishment of the lowest possible lawful rates compatible with the maintenance of adequate transportation service on apples, pears, peaches, prunes, and other fresh deciduous fruits from southern Idaho to destinations throughout the United States and Canada. The State Commission's complaint invokes application of the principle of the Hoch-Smith resolution. The complaint (Docket 21011, Sub. 2) alleges that the present rates are not upon a just or reasonable basis with relations to other rates.